

do one other thing, it would put a 5 percent guideline which local governments could not exceed unless they had another public hearing with at least three-day notice and where they give the reasons for why they need to exceed the 5 percent. I will very simply indicate that I talked about this as well as a number of other proposals for property tax relief earlier throughout the session and I will not belabor this. The next provision is, is to deal with the old concern that the lid is really a floor. I think as I have gone back and looked at the lid and the way it has been applied, and I have done that through the Auditor's office, we have simply found that the arguments that it was a floor were true the first couple years of its activities and its utilization. People very fearfully went to the full 7 percent. If they didn't spend the money, they put it in the reserve and we have high reserves in the State of Nebraska. However, in recent years that has not been the problem. In recent years the concern and the fear about the 7 percent lid has significantly evaporated and local governments have felt the need that they could, in fact, go lower. One of the provisions that I offer in this bill to once again assure that the lid will not be a floor is to allow for a three-year roll in average very simply, and it is set out in a letter. The letter that I have offered to the members I think very clearly explains it. It says that if for any reason you do not go and use the full 5 or 7 percent, you may, in fact, go back and adjust to previous years' budgets to utilize that so, in fact, you will not have the lid being a floor as it has presently been argued that it is. Now as I said earlier, it hasn't worked that way in recent years. It did, in fact, work that way and the criticism was legitimate the first few years of its operations. The last thing I would...that basically explains the bill. The last thing that I would argue very simply is that this bill is an attempt to try to assure the taxpayers of Nebraska that because of the Kearney case, because of the reevaluation that has taken place in many counties, because of the bill that we passed earlier this year which allows for yearly valuations, that we and local governments, we will not authorize and the local governments will not take advantage of this kind of disruption to raise taxes substantially. The purpose here is not that this be the most stringent or